

Ref: KGL/SE/2022-23/FEB/03

February 14, 2023

To,

The Secretary BSE Limited Corporate Relationship Department, 1 st Floor, New Trading Ring, Rotunda Building, P J Towers, Dalal Street, Fort Mumbai, Maharashtra - 400 001 Script No: 521248	The Secretary National Stock Exchange of India Ltd 'Exchange Plaza', Bandra - Kurla Complex Bandra (E), Mumbai, Maharashtra - 400051 Script No: KITEX
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Dear Sir/ Ma'am,

Ref: **OUR LETTERS TO NSE AND BSE DATED FEBRUARY 7, 2023**Sub: **OUTCOME OF BOARD MEETING HELD TODAY**

This has reference to our aforesaid letters regarding the captioned subject and pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended; the Board of Directors at their meeting held today has transacted the following items of business:

1. FINANCIAL RESULTS

The Board has approved and took on record the un-audited financial results (Standalone and Consolidated) along with limited review report for the quarter and nine months ended December 31, 2022 as duly reviewed and recommended by the Audit Committee. Copy of un-audited financial results along with the limited report furnished by the auditors of the company and press note (Annexure A) is enclosed herewith for your reference and record.

2. FURTHER INVESTMENT OF THE COMPANY IN KITEX APPAREL PARKS LIMITED, SUBSIDIARY COMPANY

With reference to our letters no KGL/SE/2022-23/NOV/02 and KGL/SE/2022-23/JAN/03 dated November 12, 2022 and January 13, 2023, the Company along with its promoter group company ie Kitex Childrenswear Limited has decided to invest additional funds of Rs. 100 crores of which Rs. 70 crores divided by 7 crores shares of Rs. 10 each would be invested by the Company. With this, the Company's investment would be increased to Rs. 280 crores in Investee Company.

The details required under Regulation 30 of SEBI (LoDR) Regulations, 2015 read with SEBI circular no. CIR/CFD/CMD/4/2015 dated September 9, 2015 is enclosed herewith as Annexure - B.

The Board meeting commenced at 12.00 P.M. and concluded at 4:40 PM

Please take the above on record and acknowledge the receipt.

Thanking you,

For **Kitex Garments Limited**

CS. Mithun B Shenoy
Company Secretary & Compliance officer
(ICSI M. No. FCS 10527)

Enclosure: as above



PRESS NOTE - PERFORMANCE Q3 – FY 2022-23

Globally, all business are facing recession and turnover has come down drastically across major business houses. All major retailers are doing distress sales in anticipation of further recession by giving discounts to the tune of 70-90%.

It may be noted that among Global leading Companies in whole sale and retail segments, while some have shown slight increase in turnover, for majority of them profits are drastically down. All retailers are selling under pressure offering phenomenal discounts. In turn, all business houses are reducing inventory and sourcing to manage the crisis. All Industries across the Globe including textiles are very badly affected.

The company expects this to be a temporary phenomena only up to end of Q4 2022-23 and the company's orders book in queue for 2023-24 indicates achieving a better performance in Q1 and normal performance by Q2. For more details, please refer the unaudited financials and limited review report for the quarter and nine months ended December 31, 2022

Annexure B


DETAILS OF FURTHER INVESTMENT OF THE COMPANY IN KITEX APPAREL PARKS LIMITED, SUBSIDIARY COMPANY

Sl. No	Particulars	Details
1	Name of the Target Entity, details in brief such as size, turnover etc.;	Kitex Apparel Parks Limited (KAPL) <ul style="list-style-type: none"> • Authorised Capital: Rs. 750,00,00,000 (Rupees Seven Hundred and Fifty Crores only) • Paid up Capital: Rs. 296,00,00,000 (Rupees Two Hundred Ninety Six Crores only) • Turnover: Nil (Yet to commence business operations)
2	Whether the acquisition would fall within related party transaction(s) and whether the promoter/promoter group/ group companies have any interest in the entity being acquired? If yes, nature of interest and details thereof and whether the same is done at "arms length";	KAPL is a Subsidiary of the Company wherein 70% of investment will be made by the Company and balance 30% will be invested by Kitex Childrenswear Ltd. being member of group company. As KAPL falls within the related party of the Company and promoters of the Company are interested in the subsidiary company to the extent of their shareholding of the Company.
3	Industry to which the entity being acquired belongs;	Textile Garments manufacturing industry



4	Objects and effects of acquisition (including but not limited to, disclosure of reasons for acquisition of target entity, if its business is outside the main line of business of the listed entity);	The Subsidiary company is engaged in establishment and carrying on the business of textile items, such as yarn, fabrics, garments, wearing apparels made from natural or synthetic fibres or from blends of both including children's garments, babywear, Infantswear, menswear, ladies wear irrespective of age limit and the like and also to procure all raw material and other auxiliary materials/ services required for the above.
5	brief details of any governmental or regulatory approvals required for the acquisition;	NA
6	Indicative time period for completion of the acquisition;	NA
7	Nature of consideration - whether cash consideration or share swap and details of the same	Cash
8	cost of acquisition or the price at which the shares are acquired;	Rs. 70,00,00,000 (Rupees Seventy Crores only) divided 7 crores shares of Rs. 10 each.
9	percentage of shareholding / control acquired and / or number of shares acquired;	70%
10	brief background about the entity acquired in terms of products/line of business acquired, date of incorporation, history of last 3 years turnover, country in which the acquired entity has presence and any other significant information (in brief);	KAPL is incorporated in India and registered with the Registrar of Companies, Andhra Pradesh & Telangana on November 18, 2021 and Company is yet to commence its business operations.

For **Kitex Garments Limited**


CS. Mithun B Shenoy
Company Secretary & Compliance officer
(ICSI M. No. FCS 10527)



Independent Auditor's Review Report on Consolidated Unaudited Quarterly and year to date financial results of Kitex Garments Limited pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To The Board of Directors Kitex Garments Limited

1. We have reviewed the accompanying statement of consolidated unaudited financial results of Kitex Garments Limited ('the Holding Company'), its subsidiaries, (the Holding Company and its subsidiaries together referred to as the 'Group') and its share of the net loss after tax and total comprehensive income of its associate for the quarter ended December 31, 2022 and the year to-date results for the period from April 1, 2022 to December 31, 2022 ('the Statement'), being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('the Regulations').
2. This Statement, which is the responsibility of the Holding Company's Management and approved by the Holding Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 'Interim Financial Reporting' ('Ind AS 34'), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other recognized accounting principles generally accepted in India and in compliance with the Regulations. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagement (SRE) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.
4. This Statement includes the results of the Holding Company and the following entities:

Sr. No	Name of the Entity	Relationship with the Holding Company
1	Kitex Littlewear Limited	Wholly owned Subsidiary
2	Kitex Babywear Limited	Wholly owned Subsidiary
3	Kitex Kidswear Limited	Wholly owned Subsidiary
4	Kitex Knits Limited	Wholly owned Subsidiary
5	Kitex Packs Limited	Wholly owned Subsidiary
6	Kitex Socks Limited	Wholly owned Subsidiary
7	Kitex Apparel Parks Limited	Subsidiary
8	Kitex USA LLC	Foreign Associate*

*As the Holding Company's share of losses in the associate has exceeded the cost of investment in an earlier year, loss for the quarter and year to date has not been considered in these unaudited consolidated financial results.



MSKA & Associates

Chartered Accountants

5. Based on our review conducted and procedures performed as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with the recognition and measurement principles laid down in Ind AS 34, prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other recognized accounting principles generally accepted in India has not disclosed the information required to be disclosed in terms of the Regulations including the manner in which it is to be disclosed, or that it contains any material misstatement.

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No.105047W

Geetha

Geetha Jeyakumar
Partner

Membership No.: 029409

UDIN: 23029409BG7MKY2071



Place: Chennai

Date: February 14, 2023

Independent Auditor's Review Report on unaudited quarterly and year to date standalone financial results of Kitex Garments Limited pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To The Board of Directors of Kitex Garments Limited

1. We have reviewed the accompanying statement of unaudited standalone financial results of Kitex Garments Limited ('the Company') for the quarter ended December 31, 2022 and the year to-date results for the period April 01, 2022 to December 31, 2022 ('the Statement') attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('the Regulations').
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 'Interim Financial Reporting' ('Ind AS 34'), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other recognized accounting principles generally accepted in India and in compliance with the Regulations. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with the recognition and measurement principles laid down in Ind AS 34, prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other recognized accounting principles generally accepted in India has not disclosed the information required to be disclosed in terms of the Regulations including the manner in which it is to be disclosed, or that it contains any material misstatement.

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No.105047W



Geetha Jeyakumar
Partner
Membership No.:029409
UDIN: 23029409867MKX7522



Place: Chennai
Date: February 14, 2023



KITEX GARMENTS LIMITED

CIN: L18101KL1992PLC006528

Regd. Office : P B NO.5, KIZHAKKAMBALAM, ALWAYE, KERALA-683562,

Web:www.kitexgarments.com, E-mail:sect@kitexgarments.com, Tel.0484 4142000, Fax: 0484 2680604

STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2022

Rupees in lakhs; except EPS and unless otherwise stated

Particulars	Standalone					
	For the quarter ended			For the nine months ended		Year ended
	31.12.2022	30.09.2022	31.12.2021	31.12.2022	31.12.2021	31.03.2022
	Unaudited			Unaudited		Audited
1 Income						
(a) Revenue from Operations	6,821.76	14,166.97	20,290.56	45,928.66	53,477.52	78,892.83
(b) Other Income	344.32	890.45	529.35	2,698.44	1,634.24	2,996.40
Total Income	7,166.08	15,057.42	20,819.91	48,627.10	55,111.76	81,829.23
2 Expenses						
(a) Cost of Materials Consumed	3,770.67	4,203.05	7,779.56	17,076.09	21,651.16	37,431.00
(b) Changes in Inventories of Finished Goods and Work-in-Progress	(895.24)	2,003.93	499.42	4,867.89	2,155.17	(689.19)
(c) Employee Benefits Expense	2,438.40	2,910.22	3,145.98	8,454.53	8,406.21	11,426.42
(d) Finance Costs	186.41	115.65	30.09	498.66	63.19	361.87
(e) Depreciation and Amortisation Expense	522.63	539.13	545.97	1,606.68	1,600.96	2,143.77
(f) Other Expenses	1,612.75	2,313.70	3,940.49	8,706.74	9,698.43	13,577.12
Total Expenses	7,635.62	12,085.68	15,941.61	41,150.59	49,575.12	64,251.05
3 Profit/(Loss) Before Tax (1-2)	(469.54)	2,971.74	4,878.40	7,476.51	11,536.64	17,578.18
4 Tax Expense						
(a) Current Tax	49.00	996.00	1,339.00	2,535.00	3,170.00	4,809.00
(b) Deferred Tax	146.37	(530.65)	68.09	(578.32)	(27.43)	(59.12)
5 Net Profit/(Loss) for the period/year (3-4)	(664.91)	2,506.39	3,471.31	5,519.83	8,394.07	12,828.30
6 Other Comprehensive Income/(Loss) (net of tax) for the period / year						
Items that will not be reclassified to profit or loss						
(a) Remeasurements of post employment benefit obligations	-	-	-	-	-	164.33
(b) Fair value changes on equity instruments carried through other comprehensive income	1.39	0.53	(0.19)	1.50	0.05	(0.11)
(c) Income tax relating to items that will not be reclassified to profit or loss	(0.35)	(0.14)	0.05	(0.38)	(0.01)	(41.93)
Items that will be reclassified to profit or loss	-	-	-	-	-	-
7 Total Comprehensive Income/(Loss) for the period/year (5+6)	(663.87)	2,506.78	3,471.17	5,520.95	8,394.11	12,951.19
8 Paid-Up Equity Share Capital (Face value Re.1 per share fully paid up)	665	665	665	665	665	665
9 Earnings Per Share (In Rupees) (of Re. 1/- each) (Not Annualised)						
(a) Basic	(1.00)	3.77	5.22	8.30	12.62	19.29
(b) Diluted	(1.00)	3.77	5.22	8.30	12.62	19.29



Notes to Standalone Financial Results:

- 1 The above results of Kitek Garments Limited ("the Company") for the quarter and nine months ended December 31, 2022, were reviewed by the Audit Committee and has been approved by the Board of Directors at its meeting held on February 14, 2023 and have been subjected to limited review by the Statutory Auditors of the Company. The unaudited standalone financial results are prepared in accordance with the recognition and measurement principles provided in Indian Accounting Standard (Ind AS) 34 on 'Interim Financial Reporting', the provisions of the Companies Act, 2013 (the Act), and SEBI Circular No. CIR/CFD/FAC/62/2016 dated 5 July 2016, as amended.
- 2 In accordance with Ind AS 108 on "Operating Segments", the Company operates in a single business segment viz. Textile - Infant/Kids Apparel Manufacturing and hence has only one reportable segment.
- 3 The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.
- 5 The Company along with another company where Managing Director is interested, has incorporated a subsidiary company, "Kitek Apparel Parks Limited" [KAPL] on November 18, 2021. During the year, Company has infused funds towards equity amounting to Rs. 14,000 lakhs and also has deposited margin money amounting to Rs 7,850 Lakhs with its bankers at interest rate of 4.75% for one time capex revolving Letter of credit on behalf of KAPL.
- 6 Globally all business are facing recession. And turnover and profits have come down drastically for major retailers. Retailers are reducing inventory by heavy discounting and sourcing is restricted to manage the present situation.. The company expects this to be a temporary phenomena only up to end of Q-4 2022-23 and the company's orders book in queue for 2023-24 indicates achieving a better performance in Q1 and normal performance by Q2 .
- 7 Previous year's/period's figures have been regrouped/reclassified, wherever necessary, to conform to the classification on the current year's/period's classification.

Place : Kizhakkambalam
Date : February 14, 2023

For Kitek Garments Limited



Sabu M Jacob
Managing Director
DIN:00046016





KITEX GARMENTS LIMITED

CIN: L18101KL1992PL0006528

Regd. Office : P B NO.5, KIZHAKKAMBALAM, ALWAYE, KERALA-683562,

Web: www.kitexgarments.com, E-mail: sect@kitexgarments.com, Tel: 0484 4142000, Fax: 0484 2680604

STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2022

Rupees in lakhs; except EPS and unless otherwise stated

Particulars	Consolidated					
	For the quarter ended			For the nine months ended		Year ended
	31.12.2022	30.09.2022	31.12.2021	31.12.2022	31.12.2021	31.03.2022
	Unaudited			Unaudited		Audited
1 Income						
(a) Revenue from Operations	6,821.76	14,166.97	20,290.56	45,928.66	53,477.52	78,832.83
(b) Other Income	343.26	889.02	530.97	2,692.98	1,333.66	2,689.08
Total Income	7,165.02	15,055.99	20,821.53	48,621.64	54,811.18	81,521.91
2 Expenses						
(a) Cost of Materials Consumed	3,770.67	4,203.05	7,779.56	17,076.09	21,651.16	37,431.00
(b) Changes in Inventories of Finished Goods and Work-in-Progress	(895.24)	2,008.93	499.42	4,867.89	2,155.17	(689.13)
(c) Employee Benefits Expense	2,433.28	2,915.34	3,145.98	8,454.53	8,406.21	11,426.42
(d) Finance Costs	186.41	115.65	30.09	438.66	63.19	361.87
(e) Depreciation and Amortisation Expense	522.63	539.13	545.97	1,606.68	1,600.96	2,143.77
(f) Other Expenses	1,666.82	2,327.65	3,944.43	8,792.79	9,708.01	13,589.69
Total Expenses	7,604.57	12,104.75	15,945.45	41,236.64	43,584.70	64,263.62
3 Profit/(Loss) Before Tax (1-2)	(519.55)	2,951.24	4,876.08	7,385.00	11,226.48	17,258.29
4 Tax Expense						
(a) Current Tax	49.00	996.00	1,339.00	2,535.00	3,170.00	4,809.00
(b) Deferred Tax	(146.22)	(205.17)	68.10	(545.41)	(35.90)	(62.85)
5 Net Profit/(Loss) for the period /year (3-4)	(422.33)	2,160.41	3,468.98	5,395.41	8,092.38	12,512.14
6 Share of Loss of Associate						
7 Net Profit/ (Loss) for the period /year after Share of Loss of Associate (5+6)	(422.33)	2,160.41	3,468.98	5,395.41	8,092.38	12,512.14
8 Other Comprehensive Income/(Loss) (net of tax)						
Items that will not be reclassified to profit or loss						
(a) Remeasurements of post employment benefit obligations	-	-	-	-	-	164.33
(b) Fair value changes on equity instruments carried through other comprehensive income	1.39	0.53	(0.19)	1.50	0.05	(0.11)
(c) Income tax relating to items that will not be reclassified to profit or loss	(0.35)	(0.14)	0.05	(0.38)	(0.01)	(41.33)
Items that will be reclassified to profit or loss						
9 Total Comprehensive income/(Loss) for the period/ year (7+8)	(421.29)	2,160.80	3,468.84	5,396.53	8,092.42	12,635.03
10 Net Profit/(Loss) attributable to :						
(a) Equity holders of the Holding Company	(408.04)	2,165.22	3,468.98	5,419.36	8,092.38	12,512.14
(b) Non-controlling interest	(14.29)	(4.81)	-	(29.95)	-	-
11 Other comprehensive Income/(Loss) for the year						
(a) Equity holders of the Holding Company	(407.00)	2,165.61	3,468.84	5,420.48	8,092.42	12,635.03
(b) Non-controlling interest	(14.29)	(4.81)	-	(29.95)	-	-
12 Paid-Up Equity Share Capital						
(Face value Re.1 per share fully paid up)	665	665	665	665	665	665
13 Earnings Per Share (in Rupees)						
(of Re. 1/- each) (Not Annualised)						
(a) Basic	(0.64)	3.25	5.22	8.11	12.17	18.82
(b) Diluted	(0.64)	3.25	5.22	8.11	12.17	18.82




Notes to Consolidated Financial Results:

- 1 The above consolidated results of Kitex Garments Limited ("the Group") for the quarter and nine months ended December 31, 2022, were reviewed by the Audit Committee and has been approved by the Board of Directors at its meeting held on February 14, 2023 and have been subjected to limited review by the Statutory Auditors of the Group. The unaudited consolidated financial results are prepared in accordance with the recognition and measurement principles provided in Indian Accounting Standard (Ind AS) 34 on 'Interim Financial Reporting', the provisions of the Companies Act, 2013 (the Act), and SEBI Circular No. CIR/CFD/FAC/62/2016 dated 5 July 2016, as amended.
- 2 In accordance with Ind AS 108 on "Operating Segments", the Group operates in a single business segment viz. Textile - Infant/Kids Apparel Manufacturing and hence has only one reportable segment.
- 3 The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Group will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.
- 4 The Company along with another company where Managing Director is interested, has incorporated a subsidiary company, "Kitex Apparel Parks Limited" [KAPL] on November 18, 2021. During the year, Company has infused funds towards equity amounting to Rs. 14,000 lakhs and also has deposited margin money amounting to Rs 7,850 Lakhs with its bankers at interest rate of 4.75% for one time capex revolving Letter of credit on behalf of KAPL.
- 5 Globally all business are facing recession. And turnover and profits have come down drastically for major retailers. Retailers are reducing inventory by heavy discounting and sourcing is restricted to manage the present situation.. The company expects this to be a temporary phenomena only up to end of Q-4 2022-23 and the company's orders book in queue for 2023-24 indicates achieving a better performance in Q1 and normal performance by Q2
- 6 Previous year's/period's figures have been regrouped/reclassified, wherever necessary, to conform to the classification on the current year's/period's classification.

Place : Kizhakkambalam
Date : February 14, 2022

For Kitex Garments Limited


Sabu M Jacob
Managing Director
DIN:00046016

